GOVERNMENT OF INDIA
CHEMICALS AND FERTILIZERS
LOK SABHA

UNSTARRED QUESTION NO:279
ANSWERED ON:19.07.2016
Fertilizer Subsidy
K. Shri Parasuraman;Karunakaran Shri P.

Will the Minister of CHEMICALS AND FERTILIZERS be pleased to state:

Will the Minister of CHEMICALS AND FERTILIZERS be pleased to state:

(a) the details of subsidy provided on various fertilizers during each of the last three years, state-wise;

(b) whether fertilizers subsidy has reached the majority of poor farmers and if so, the details thereof;

(c) the details of action taken by the government to ensure provision of subsidy to poor farmers;

(d) whether the government has also received complaints that fertilizer subsidy are not reaching the poor farmers and if so, the details thereof; and

(e) whether the Government is contemplating to reduce or withdraw the subsidies being provided on some fertilizers and if so, the details thereof?

Answer

MINISTER OF STATE IN THE MINISTRY OF CHEMICALS AND FERTILIZERS, SHIPPING, ROAD TRANSPORT & HIGHWAYS

(SHRI MANSUKH L MANDAVIYA)

(a) : The details of subsidy provided on various fertilizers during each of the last three years are as under:
< Figures In Crores>
Year Imported urea Imported
P & K Indigenous
P & K Indigenous Urea
2013-14 15353.30 13926.86 15500.00 26500.00
2014-15 16200.00 8667.30 12000.00 38200.01
2015-16 16400.00 9968.56 11969.00 38200.00

State-wise figures of subsidy are not available as the subsidies are paid to manufacturers/importers of fertilizers only.

(b) & (c): Subsidy on Urea and 22 grades of Phosphatic & Potassic (P&K) fertilizers is passed on to farmers through fertilizers companies at a MRP, which is much below the delivered cost. While Urea is provided at Govt. fixed price of Rs.5360/- MT (excluding taxes extra), the P & K fertilizers are provided to farmers at subsidized price based on the nutrient content on each grade of P&K fertilizer. The fertilizers companies are required to clearly print the MRP along with applicable subsidy on each fertilizer bag. Any sale above the printed MRP is punishable under the Essential Commodities Act. In order to check whether the prices fixed by fertilizer companies are reasonable, the companies are required to submit cost data of their fertilizer products so that the Government can ensure that the subsidy has been passed on to the farmers. Thus majority of the farmers are benefitted from the grant of subsidy on fertilizers.

(d) : No such complaints have been received.

(e): No such proposal is under consideration in the department.

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